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# BEFORE THE ARIZONA CORPORATION COMMISSION

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In the matter of:

JORDAN CROSSING PROPERTIES, LLC, an Arizona limited liability company.

COMMISSIONERS

KRISTIN K. MAYES, Chairman

GARY PIERCE PAUL NEWMAN

SANDRA D. KENNEDY **BOB STUMP** 

CHRIS BLACKFORD and NICOLE BLACKFORD, husband and wife.

Respondents.

DOCKET NO. S-20698A-09-0398

TEMPORARY ORDER TO CEASE AND DESIST AND NOTICE OF OPPORTUNITY FOR HEARING

THIS ORDER IS EFFECTIVE IMMEDIATELY NOTICE:

EACH RESPONDENT HAS 20 DAYS TO REQUEST A HEARING

EACH RESPONDENT HAS 30 DAYS TO FILE AN ANSWER

The Securities Division ("Division") of the Arizona Corporation Commission ("Commission") alleges that respondents JORDAN CROSSING PROPERTIES, LLC and CHRIS BLACKFORD are engaging in or are about to engage in acts and practices that constitute violations of A.R.S. § 44-1801, et seq., the Arizona Securities Act ("Securities Act"), and that the public welfare requires immediate action.

I.

#### JURISDICTION

1. The Commission has jurisdiction over this matter pursuant to Article XV of the Arizona Constitution and the Securities Act.

> Arizona Corporation Commission DOCKETED

> > AUG 2 0 2009

DOCKETED BY

II. 1 RESPONDENTS 2 2. JORDAN CROSSING PROPERTIES, LLC ("JORDAN") is an Arizona limited 3 liability company organized on December 31, 2008. JORDON has its principal place of business in 4 Glendale, Arizona. 5 3. Pursuant to public records of the Commission, CHRIS BLACKFORD and NICOLE 6 BLACKFORD have been members of JORDAN since December 31, 2008. 7 4. CHRIS BLACKFORD ("BLACKFORD") is an individual who resides in Arizona. 8 9 5. NICOLE BLACKFORD ("N. BLACKFORD") is the spouse of BLACKFORD and may be referred to as "Respondent Spouse." Respondent Spouse is joined in this action under 10 A.R S. § 44-2031(C) solely for purposes of determining the liability of the marital community. 11 6. BLACKFORD and N. BLACKFORD are husband and wife. At all times relevant, 12 BLACKFORD was acting for his own benefit and for the benefit or in furtherance of the marital 13 community. 14 7. JORDAN and BLACKFORD may be referred to as "Respondents." 15 III. 16 **FACTS** 17 8. On or about August 8, 2009, RESPONDENTS emailed to potential Arizona 18 investors ("PAI") an advertisement for an investment opportunity as follows: 19 20 Greetings, 21 We are looking for someone to partner with us in a mini storage complex. I have 22 spoken to the owner of a mini storage here in town that is interested in selling it. 23 She will carry the paper for a decent interest rate and flexible terms but, she needs \$200,000 as a down payment to buy out her partner. The potential income from this 24 property before payments and taxes is about \$15,000/month. Taxes are about 25 \$1,000/month and the only other monthly need is a \$30 electricity bill, the opening

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maintenance.

of the gate. There is no office or plumbing. It is a basic mini storage, very low

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1	We need cash partners. We will do all the leg work and your ROI will be 10-50%. Please contact me if you are interested. Thank you.
2	9. The email advertisement also includes BLACKFORD as the contact name and an
3	Arizona contact phone number of 623-570-1687.
4	10. At least one PAI received the unsolicited email advertisement.
5	11. At all times relevant, the Respondents were neither registered as dealers nor
6	salesmen with the Commission. At all times relevant, the investment was not registered with the
7	Commission.
8	IV.
9	VIOLATION OF A.R.S. § 44-1841
10	(Offer and Sale of Unregistered Securities)
11	12. From on or about August 8, 2009, Respondents have been offering or selling
12	securities in the form of investment contracts within or from Arizona.
13	13. The securities referred to above are not registered pursuant to Articles 6 or 7 of the
14	Securities Act.
15	14. This conduct violates A.R.S. § 44-1841.
16	V.
17	VIOLATION OF A.R.S. § 44-1842
18	(Transactions by Unregistered Dealers or Salesmen)
19	15. Respondents are offering or selling securities within or from Arizona while not
20	registered as dealers or salesmen pursuant to Article 9 of the Securities Act.
21	16. This conduct violates A.R.S. § 44-1842.
22	VI.
23	TEMPORARY ORDER
24	Cease and Desist from Violating the Securities Act
25	THEREFORE, based on the above allegations, and because the Commission has determined
26	that the public welfare requires immediate action,

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IT IS ORDERED, pursuant to A.R.S. § 44-1972(C) and A.A.C. R14-4-307, that Respondents, their agents, servants, employees, successors, assigns, and those persons in active concert or participation with Respondents CEASE AND DESIST from any violations of the Securities Act.

IT IS FURTHER ORDERED that this Temporary Order to Cease and Desist shall remain in effect for 180 days unless sooner vacated, modified, or made permanent by the Commission.

IT IS FURTHER ORDERED that this Order shall be effective immediately.

#### VII.

# REQUESTED RELIEF

The Division requests that the Commission grant the following relief:

- 1. Order Respondents to permanently cease and desist from violating the Securities Act, pursuant to A.R.S. § 44-2032;
- 2. Order Respondents to take affirmative action to correct the conditions resulting from Respondents' acts, practices, or transactions, including a requirement to make restitution pursuant to A.R.S. §44-2032;
- 3. Order Respondents to pay the state of Arizona administrative penalties of up to five thousand dollars (\$5,000) for each violation of the Securities Act, pursuant to A.R.S. § 44-2036;
- 4. Order that the marital community of Respondent BLACKFORD and Respondent Spouse are subject to any order of restitution, rescission, administrative penalties, or other appropriate affirmative action pursuant to A.R.S. § 25-215; and
  - 5. Order any other relief that the Commission deems appropriate.

### VIII.

#### HEARING OPPORTUNITY

Each respondent including Respondent Spouse may request a hearing pursuant to A.R.S. § 44-1972 and A.A.C. Rule 14-4-307. If a Respondent or Respondent Spouse requests a hearing, the requesting respondent must also answer this Temporary Order and Notice. A

request for hearing must be in writing and received by the Commission within 20 days after service of this Temporary Order and Notice. The requesting respondent must deliver or mail the request for hearing to Docket Control, Arizona Corporation Commission, 1200 West Washington, Phoenix, Arizona 85007. Filing instructions may be obtained from Docket Control by calling (602) 542-3477 or on the Commission's Internet web site at www.azcc.gov/divisions/hearings/docket.asp.

If a request for hearing is timely made, the Commission shall schedule a hearing to begin 10 to 30 days from the receipt of the request unless otherwise provided by law, stipulated by the parties, or ordered by the Commission. Unless otherwise ordered by the Commission, this Temporary Order shall remain effective from the date a hearing is requested until a decision is entered. After a hearing, the Commission may vacate, modify, or make permanent this Temporary Order, with written findings of fact and conclusions of law. A permanent Order may include ordering restitution, assessing administrative penalties, or other action.

If a request for hearing is not timely made, the Division will request that the Commission make permanent this Temporary Order, with written findings of fact and conclusions of law, which may include ordering restitution, assessing administrative penalties, or other relief.

Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting Shaylin A. Bernal, ADA Coordinator, voice phone number 602/542-3931, e-mail <a href="mailto:sabernal@azcc.gov">sabernal@azcc.gov</a>. Requests should be made as early as possible to allow time to arrange the accommodation.

# IX.

#### ANSWER REQUIREMENT

Pursuant to A.A.C. R14-4-305, if a Respondent or Respondent Spouse requests a hearing, the requesting respondent must deliver or mail an Answer to this Temporary Order and Notice to Docket Control, Arizona Corporation Commission, 1200 W. Washington, Phoenix, Arizona 85007, within 30 calendar days after the date of service of this Temporary Order and Notice.

Filing instructions may be obtained from Docket Control by calling (602) 542-3477 or on the Commission's Internet web site at www.azcc.gov/divisions/hearings/docket.asp.

Additionally, the answering respondent must serve the Answer upon the Division. Pursuant to A.A.C. R14-4-303, service upon the Division may be made by mailing or by handdelivering a copy of the Answer to the Division at 1300 West Washington, 3<sup>rd</sup> Floor, Phoenix, Arizona, 85007, addressed to Aikaterine Vervilos.

The Answer shall contain an admission or denial of each allegation in this Temporary Order and Notice and the original signature of the answering respondent or the respondent's attorney. A statement of a lack of sufficient knowledge or information shall be considered a denial of an allegation. An allegation not denied shall be considered admitted.

When the answering respondent intends in good faith to deny only a part or a qualification of an allegation, the respondent shall specify that part or qualification of the allegation and shall admit the remainder. Respondent waives any affirmative defense not raised in the Answer.

The officer presiding over the hearing may grant relief from the requirement to file an Answer for good cause shown.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION, this 20 day of August, 2009.

Director of Securities

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